

## **MINUTES**

### **MONTANA SENATE 61st LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON TAXATION**

**Call to Order:** Chairman Jeff Essmann, on January 28, 2009 at 8:00 A.M., in Room 405 Capitol.

#### **ROLL CALL**

**Members Present:**

Sen. Jeff Essmann, Chairman (R)  
Sen. Taylor Brown, Vice Chairman (R)  
Sen. Jerry W. Black (R)  
Sen. Gary Branae (D)  
Sen. Ron Erickson (D)  
Sen. Kelly Gebhardt (R)  
Sen. Bradley Hamlett (D)  
Sen. Bob Story Jr. (R)  
Sen. Bruce Tutvedt (R)

**Members Excused:** Sen. Kim Gillan (D)  
Sen. Christine Kaufmann (D)

**Members Absent:** None.

**Staff Present:** Lee Heiman, Legislative Branch  
Debra Polhemus, Committee Secretary

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

**Committee Business Summary:**

Hearing & Date Posted: SB 211, 1/13/2009; SB 280,  
1/23/2009

Executive Action: None

**Committee Business:**

**EXHIBIT(tas20a01)**

January 2009 Montana Tax Digest

**EXHIBIT(tas20a02)**

Report on State Tax Expenditures

**HEARING ON SB 280**

**Opening Statement by Sponsor:**

00:01:53 Sen. Kelly Gebhardt (R), SD 23, opened the hearing on  
SB 280, Revise tax exemption of rental personal  
property.

**EXHIBIT(tas20a03)**

**Proponents' Testimony:**

00:04:48 Rohnn Lampi, Aspen Way Enterprises, Missoula

00:09:31 David Lyons, LTL Investments, Belgrade

**Opponents' Testimony:** None

**Informational Testimony:**

00:13:06 Debbie Jurcich, Department of Revenue (DOR)

**Questions from Committee Members and Responses:**

00:13:30 Sen. Erickson

00:14:16 Rohnn Lampi

00:14:58 Sen. Brown

00:15:22 Rohnn Lampi

00:15:50 Sen. Kaufmann arrived at hearing

00:17:04 Sen. Story

00:17:41 Rohnn Lampi

00:18:09 Sen. Black

00:18:26 Rohnn Lampi

00:19:05 Sen. Story

00:19:43 Rohnn Lampi

00:21:19 Sen. Story

00:22:32 Debbie Jurcich, DOR

00:22:46 Sen. Gillan arrived at hearing

00:23:22 Sen. Erickson

00:24:05 Sen. Gebhardt

**Closing by Sponsor:**

00:25:00 Sen. Gebhardt

00:25:43 Recess

00:32:22 Reconvene

**HEARING ON SB 211**

**Opening Statement by Sponsor:**

00:32:43 Sen. David Wanzenried (D), SD 49, opened the hearing on SB 211, Prevent corporations from channeling income to insurance subsidiaries.

**Proponents' Testimony:**

00:39:08 Brian Staley, representing the Department of Revenue

[EXHIBIT\(tas20a04\)](#)

[EXHIBIT\(tas20a05\)](#)

**Opponents' Testimony:**

00:47:16 Jacqueline Lenmark, representing American Insurance Association (AIA) and American Council of Life Insurers (ACLI)

01:01:17 Bruce Spencer, representing Property Casualty Insurance Company (PCI) and Montana Automobile Dealers Association (MTADA)

01:11:25 Robert Durand, representing Montana Captive Insurance Association (MCIA)

01:15:16 Aimee Grmoljez, representing Montana Bankers Association

01:15:44 Webb Brown, representing Montana Chamber of Commerce

01:16:01 Holly Franz, representing Montana Society of CPAs

01:16:20 Jacqueline Lenmark also speaking for Greg Van Horsen, State Farm Insurance Company

01:16:46 Bruce Spencer also speaking for Mary Whittinghill, Montana Taxpayers Association

**Informational Testimony:** None

**Questions from Committee Members and Responses:**

01:17:16 Sen. Kaufmann  
01:17:47 Brian Staley, DOR  
01:18:26 Sen. Kaufmann  
01:18:49 Brian Staley  
01:21:12 Sen. Brown  
01:21:45 Brian Staley  
01:23:00 Sen. Erickson  
01:23:35 Brian Staley  
01:24:11 Sen. Erickson  
01:24:37 Brian Staley  
01:25:43 Sen. Tutvedt  
01:26:06 Holly Franz, Montana Society of CPAs  
01:27:12 Sen. Tutvedt  
01:27:30 Holly Franz  
01:28:44 Sen. Tutvedt  
01:29:01 Sen. Wanzenried  
01:30:49 Sen. Story  
01:31:42 Bruce Spencer  
01:32:05 Sen. Story  
01:32:57 Bruce Spencer  
01:35:32 Sen. Story  
01:36:14 Bruce Spencer  
01:36:39 Sen. Story  
01:37:19 Brian Staley  
01:37:35 Sen. Story  
01:38:43 Brian Staley  
01:40:06 Sen. Story  
01:40:29 Jacqueline Lenmark  
01:41:11 Sen. Story  
01:42:15 Jacqueline Lenmark  
01:43:08 Sen. Gillan  
01:44:09 Jacqueline Lenmark  
01:44:52 Sen. Gillan  
01:45:12 Jacqueline Lenmark  
01:45:56 Brian Staley  
01:46:08 Sen. Black  
01:46:47 Brian Staley  
01:47:42 Sen. Black  
01:47:52 Bruce Spencer  
01:48:49 Sen. Tutvedt  
01:49:09 Sen. Wanzenried  
01:49:19 Sen. Tutvedt  
01:49:31 Sen. Wanzenried  
01:50:14 Sen. Tutvedt  
01:50:30 Sen. Kaufmann  
01:51:09 Sen. Wanzenried  
01:52:01 Sen. Kaufmann  
01:52:22 Sen. Wanzenried

**Questions from Committee Members and Responses: (con't)**

01:53:09 Sen. Kaufmann  
01:53:16 Brian Staley  
01:54:09 Sen. Hamlett  
01:54:47 Brian Staley  
01:55:16 Chairman Essmann

01:56:19 Brian Staley  
01:57:30 Chairman Essmann  
01:58:02 Brian Staley  
01:58:55 Sen. Story  
01:59:53 Brian Staley

**Closing by Sponsor:**

02:00:22 Sen. Wanzenried

**EXHIBIT** (tas20a06)

02:04:46 Chairman Essmann  
02:05:13 Sen. Story  
02:05:36 Chairman Essmann

**ADJOURNMENT**

Adjournment: 10:15 A.M.

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Debra Polhemus, Secretary

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Additional Documents:

**EXHIBIT ([tas20aad.pdf](#))**